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UNITED STATES DEPARTMENT OF AGRICULTURE  
Agricultural Marketing Administration  
Washington, D. C.

March 30, 1942

ADMINISTRATOR'S MEMORANDUM NO. 7

Coordination of Commercial Food Utilization Program

During the war emergency, while it is absolutely essential to proceed with substantial increases in production of many agricultural commodities, it is doubtful that goals can be hit squarely because of weather factors, unusual yields, and for many other reasons. As a result it is probable that there will be instances--possibly many instances--of excessive supplies, measured in terms of the effective market and producer prices. The dislocation of distribution or other causes may also be factors of which particular account needs to be taken.

In view of its responsibilities in the Department, the Agricultural Marketing Administration must anticipate such situations as early as possible, work out programs of appropriate governmental assistance, and take whatever steps are necessary. It is a primary responsibility of the commodity branches to anticipate such situations early, to work out programs for moving the supply into consumption at fair and reasonable prices to producers. One of the important available methods for moving such excessive supplies at fair and reasonable prices, in addition to purchases, diversions, food stamp plan, school lunches, etc., is cooperation with commercial agencies to expand consumption, widen markets and support producer prices.

On February 9 I appointed a committee with Donald E. Montgomery, Consumers' Counsel, as chairman, which on March 20 made a report and recommendation No. 1. It is a fine report. This report points to the possibilities of mobilizing our resources for stimulating the commercial sale and disposition of commodities and bringing our organization together in a coordinated way.

To be effective such a program of commercial utilization will require not only the fullest cooperation of the people and units of the AMA but close cooperation and liaison with many agencies within and outside of the Department. Crop Estimates and Market News Reports should be developed specifically to provide more accurate information as to volume of product, time of harvest, market supplies, etc., in advance of the marketing period so that plans can be made and executed in time. It is necessary to have advance notice in many instances in order to encourage commercial agencies to expand their outlets and intensify their distribution through increased commercial activity at the proper time and place. Assistance in such developments can be facilitated, of course, by the dissemination of information with regard to the possible use of a particular crop or product, and arrangements for special informational material to be used by the press and radio services.



The staff responsibility for the coordination of all such activities, looking towards improving commercial outlets, is hereby assigned to Porter R. Taylor, who will be an Assistant to the Administrator. His assignment does not relieve appropriate commodity branches of responsibility to take initiative, prepare plans, but in this particular phase of their activity he will be responsible for coordination and for expediting the programs. Appropriate branches are expected to supply all technical assistance and advice, and each branch head, in case he does not expect to handle this part of his program himself, is asked to designate a person or persons to act in his stead in all matters pertaining to this program. The Purchase and Distribution Branches can be of substantial assistance through their field organizations, through the food stamp committees and other industry contacts. The Division of Consumers' Counsel can help this program greatly, while the Division of Marketing Reports will be expected to have overhead responsibility in providing service in the preparation of necessary informational material, news releases, etc., for press, radio and other use.

Cooperation with the Extension Service, Bureau of Home Economics, State Departments of Agriculture, the National, regional and local organizations of producers and distributors, is contemplated for the successful development of the program. Mr. Taylor will be expected to arrange for such cooperation outside of the AIA in conjunction with the appropriate branches.

As indicated before, the success of the Administration in meeting special situations during the war emergency resulting in excesses, gluts or price depressing surpluses will depend to a large extent upon the anticipation of such situations in advance and the development and coordination of programs to meet specific situations so as to secure the greatest benefit to producers through increased consumption and protection against low prices and to give consumers the advantages which arise out of such situations. We must do everything reasonably possible to prevent the waste of perishable foods during the war emergency and all necessary steps should be taken to that end. Secretary Wickard has made this objective clear on many occasions. In this process we will also develop a pattern of cooperation with distribution outlets which can be serviceable during the post war period and during the peace afterwards we all hope will come.

Mr. Taylor is particularly well equipped for this assignment and has a long record of accomplishment to his credit in this Administration and predecessor organizations. He is especially well acquainted with the field of fruits and vegetables but his assignment covers other commodities as well, and the cooperation of all concerned is expected. He will also give some of his time to the dehydration program now in the making and to other special assignments from time to time.

  
Administrator